Enhanced Low Duration Active Exchange-Traded Fund

**PIMCO ETFs**

**OBJECTIVE: CORE | AS OF: 31 MARCH 2020**

**TICKER:** LDUR  
**FUND INCEPTION DATE:** 22 JANUARY 2014  
**CUSIP:** 72201R718  
**TOTAL NET ASSETS (IN MILLIONS):** $434.6

**Portfolio manager**
- David Braun
- Jerome Schneider
- Sonali Pier

**Basic facts**
- **Dividend frequency:** Monthly

**Fund expenses**
- **Gross Expense Ratio:** 0.86%  
- **Net Expense Ratio:** 0.79%  
- **Adjusted Expense Ratio:** 0.39%

The Net Expense Ratio reflects a contractual fee waiver and/or expense reduction, which is in place through 31 October 2020 and renews automatically for a full year unless terminated by PIMCO in accordance with the terms of the agreement. The Adjusted Expense Ratio is the same as the Net Expense Ratio, but also excludes certain investment expenses, such as interest expense from borrowings and repurchase agreements and dividend expense from investments on short sales, incurred directly by the Fund or indirectly through the Fund’s investments in underlying PIMCO Funds (if applicable), none of which are paid to PIMCO.

**Bond risk measures**
- **Effective maturity (yrs):** 1.88  
- **Effective duration (yrs):** 1.89  
- **# of Holdings:** 665

**Sector diversification (%)**

<table>
<thead>
<tr>
<th>Sector Type</th>
<th>% of Net Asset</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Government Related</td>
<td>27.4</td>
</tr>
<tr>
<td>Securitized</td>
<td>23.5</td>
</tr>
<tr>
<td>Invest. Grade Credit</td>
<td>64.7</td>
</tr>
<tr>
<td>High Yield Credit</td>
<td>-1.3</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>1.6</td>
</tr>
<tr>
<td>Other</td>
<td>0.4</td>
</tr>
<tr>
<td>Net Other Short Duration</td>
<td>-16.2</td>
</tr>
</tbody>
</table>

**Fund description**

PIMCO Enhanced Low Duration Active Exchange-Traded Fund (Ticker: LDUR) is a diversified portfolio of primarily high quality bonds that is actively managed in an effort to limit interest rate exposure while maximizing returns in a risk-managed framework. The fund offers a conservative core bond strategy that is designed to capitalize on opportunities across multiple sectors of the fixed income market. The average portfolio duration is normally between 1 and 3 years.

**Investor benefits**

The ETF structure enables trading throughout the day and the same expense ratio for all investors, regardless of transaction size. Fund shares are publicly traded and conveniently available to any investor who can access a major stock exchange.

Potential benefits of this fund include:

- **A yield advantage** over typical short duration strategies because of its longer duration range (1-3 years) and an ability to capitalize on a wider opportunity set
- **Less interest rate sensitivity** than typical intermediate duration strategies - a potential benefit in periods of rising interest rates
- **Multiple value-added strategies** such as duration positioning, credit analysis and sector emphasis - in an effort to enhance returns and manage risk
- **An active investment strategy managed for all market environments**, using PIMCO’s portfolio-management expertise which emphasizes both top-down macroeconomic analysis and bottom-up strategy
- **Full benefits and flexibility of the ETF vehicle**, including intraday pricing, trading on margin and with limit and stop loss orders, daily portfolio disclosure and a low investment minimum of 1 share

**The fund advantage**

PIMCO Enhanced Low Duration Active Exchange-Traded Fund employs PIMCO’s time-tested investment process, which combines robust top-down and bottom-up strategies. By combining perspectives at both the portfolio and security levels, we strive to add value over time within acceptable levels of portfolio risk. LDUR benefits from PIMCO’s expertise in active fixed income investing, economic forecasting, central bank policy analysis and risk management. Since the firm’s inception in 1971, PIMCO has been a pioneer in fixed income total return investing and is now a market leader in active ETF management.
Enhanced Low Duration Active Exchange-Traded Fund

Performance (total returns)

<table>
<thead>
<tr>
<th>Since Inception</th>
<th>5 yr</th>
<th>3 yr</th>
<th>1 yr</th>
<th>6 mos</th>
<th>3 mos</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIMCO ETF</td>
<td></td>
<td></td>
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<tr>
<td>NAV</td>
<td>2.18</td>
<td>2.05</td>
<td>2.04</td>
<td>1.76</td>
<td>-0.35</td>
</tr>
<tr>
<td>Share price (market price)</td>
<td>2.33</td>
<td>2.22</td>
<td>2.31</td>
<td>2.61</td>
<td>0.55</td>
</tr>
<tr>
<td>Benchmark (%)</td>
<td>1.68</td>
<td>1.85</td>
<td>2.70</td>
<td>5.42</td>
<td>3.33</td>
</tr>
</tbody>
</table>

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown.

Investors should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. This and other information are contained in the Fund’s prospectus, which may be obtained by contacting your PIMCO representative. Please read the prospectus carefully before you invest.

† May include nominal and inflation-protected Treasuries, Treasury futures and options, agencies, FICO-guaranteed and government-guaranteed mortgage securities, and other fixed income securities.
‡ May include inflations-protected and nominal Treasury securities, other than inflation-protected Treasuries, other than Treasury securities, and derivatives offsets. With respect to certain categories of securities, the Adviser reserves the discretion to require a minimum investment in a sector or an asset class.
§ May include nominal and inflation-protected Treasuries, Treasury futures and options, agencies, FDIC-guaranteed and government-guaranteed mortgage securities, and other fixed income securities; and derivatives offsets. With respect to certain categories of short duration securities, the Adviser reserves the discretion to require a minimum investment in a sector or an asset class.

The 30 day SEC Yield is calculated under an SEC standardized formula based on net income earned over the past 30 days. The Subsidized yield includes contractual expense reimbursements and it would be lower without those reimbursements. The Unsubsidized 30 Day SEC yield excludes contractual expense reimbursements.

About PIMCO

PIMCO is one of the world’s premier fixed income managers. Since our founding in 1971 in Newport Beach, California, we have continued to bring innovation and expertise to our partnership with clients seeking the best investment solutions. Today our professionals work in 17 offices across the globe, united by a single purpose: creating opportunities for investors in every environment.

To discover more about tradable and transparent PIMCO ETFs, please contact your advisor, call 1.888.400.4ETF (1.888.400.4383) or visit www.pimco.com

About the benchmark

The ICE BoFAML 1-3 Yr U.S. Treasury Index is an unmanaged index comprised of U.S. Treasury securities, other than inflation-protection securities and STRIPS, with at least $1 billion in outstanding face value and a remaining term to final maturity of at least one year and less than three years. It is not possible to invest directly in an unmanaged index.